

# Legislative Council Staff

Nonpartisan Services for Colorado's Legislature

# **Final Fiscal Note**

**Drafting Number:** LLS 21-0288 **Date:** July 6, 2021 **Prime Sponsors:** Rep. Froelich Bill Status: Signed into Law Sen. Fields Fiscal Analyst: Will Clark | 303-866-4720 Will.Clark@state.co.us **Bill Topic:** COLORADO CHILD SUPPORT COMMISSION RECOMMENDATIONS Summary of □ TABOR Refund ☐ State Revenue **Fiscal Impact:** ☐ Local Government □ State Transfer ☐ Statutory Public Entity This bill enacts child support recommendations of the Colorado Child Support Commission. The bill minimally increases state expenditures on an ongoing basis. **Appropriation** No appropriation is required. Summary: **Fiscal Note** This fiscal note reflects the enacted bill. Status:

## Summary of Legislation

The bill enacts recommendations of the Colorado Child Support Commission concerning the establishment, calculation, and enforcement of child support, including:

- changes to child support guidelines and adjustments to basic child support obligations related to gross income;
- makes the definition of "parent" and "child" consistent with the Colorado Children's Code;
- reduces the interest rate on unpaid child support after July 1, 2021;
- provides parents who owe child support with a process to request a court to disallow some or all of the calculated interest on their owed child support;
- clarifies that dependency and neglect courts and juvenile courts have concurrent jurisdiction to address parentage;
- removes limitations on increases to child support orders, filed by the state child support
  enforcement agency, when income information for the parent who owes child support is not
  available;
- requires life insurance settlements to be reported to the state child support enforcement agency;
   and
- adds contract employees for whom an employer is required to report compensation to the federal Internal Revenue Service to the state directory of new hires who must be reported for child support enforcement purposes.

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### **State Expenditures**

In FY 2021-22, the bill increases workload and expenditures for the Department of Human Services and the Judicial Department by a minimal amount. These changes are discussed in more detail below.

**Department of Human Services.** The bill requires program modifications to the Automated Child Support Enforcement System, including changes to child support guidelines and notices for life insurance settlements. These changes can be made within existing appropriations.

**Judicial Department.** The bill requires adjustments to family law software used by the department. The bill may also shift workload for determining parentage within trial courts. These changes can be made within existing appropriations.

#### **Effective Date**

The bill was signed into law by the Governor and took effect on June 7, 2021.

#### **State and Local Government Contacts**

Human Services Information Technology Judicial

Labor Personnel Regulatory Agencies

Revenue